

May 27, 2004

Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

F geology, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-34312
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name ROYAL FLUSH
8. Well Number #1
9. OGRID Number 13931
10. Pool name or Wildcat BASIN FRUITLAND COAL

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator MANANA GAS, INC.	
3. Address of Operator c/o Walsh Engineering 7415 East Main Street, Farmington, NM 87402	
4. Well Location Unit Letter N : 660' feet from the SOUTH line and 1945' feet from the West line Section 22 Township 29N Range 11W NMPM County San Juan	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5428' GR	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type	Depth to Groundwater
Distance from nearest fresh water well	Distance from nearest surface water
Pit Liner Thickness:	mil
Below-Grade Tank: Volume	bbls;
Construction Material	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☒

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

06/12/07 Spud 8-3/4" surface hole. Drilled to 145' KB and ran 3jts (135.60') of 7", 20#, J-55, EUE 8RD casing and set @ 141' KB. Cemented with 50 sx (59 cu.ft.) of Type 5, 3% CaCl₂ and 1/4 #/sk celloflake. Circulated 5 bbls of good cement to surface.

06/13/07 Nipped up the bradenhead and BOP. Pressure tested the BOP and casing to 600 psi.

06/16/07 TD 6-1/4' hole at 1810'. Ran 44 jts (1798.83) of 4 1/2", 10.5#, J-55, EUE 8rd casing. Set casing at 1804' KB. Insert Float is at 1785' KB and top of maker joint is @ 1351'. Cemented with 140 sx (288 cu.ft.) of Type 5, with 2% sodium metasilicate, 1/4 #/sk celloflake. Followed by 75sx (89 cu.ft.) of Type 5, 2/5 CaCl₂, 1/4pps celloflake. Bumped plug to 1400psi. Circulated 2 bbls of cement to surface.

RCVD JUN 28 07
OIL CONS. DIV.
DIST. 3

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: [Signature] TITLE Production Tech. DATE 06/27/07

Type or print name Gwen Brozzo E-mail address: gwen@walsheng.net Telephone No. 505-327-4892

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APPROVED BY: H. Villanueva TITLE Deputy Oil & Gas Inspector, District #3 DATE JUL 03 2007

Conditions of Approval (if any):

B 7/2